

## 97TH GENERAL ASSEMBLY State of Illinois 2011 and 2012 HB5453

Introduced 2/15/2012, by Rep. Luis Arroyo

## SYNOPSIS AS INTRODUCED:

New Act

Creates the Vacant Building in Foreclosure Responsibility Act. Provides that for real estate in foreclosure on which there is a vacant building, the person who has legal title to the real estate or is the mortgagee of the real estate is required to register the vacant building with the Department of Financial and Professional Regulation. Provides that the registration fee for a vacant building is \$250; the registration must be renewed every 6 months and a renewal fee of \$250 must be paid. Establishes requirements for the maintenance of a vacant building's interior, exterior, and grounds and for security. Provides for inspection by the Department or any applicable municipal or county enforcement entity. Provides for penalties, rules, limiting home rule powers, and other matters. Effective immediately.

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FISCAL NOTE ACT MAY APPLY

HOME RULE NOTE ACT MAY APPLY

1 AN ACT concerning property.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- 4 Section 1. Short title. This Act may be cited as the Vacant
- 5 Building in Foreclosure Responsibility Act.
- 6 Section 5. Definitions. As used in this Act:
- 7 "Department" means the Department of Financial and
- 8 Professional Regulation.
- 9 "Owner" means any person who alone, jointly or severally
- 10 with others: (i) has legal title to any real estate with or
- 11 without accompanying actual possession of the real estate; or
- 12 (ii) is a mortgagee who holds a mortgage on the real estate, or
- is an assignee or agent of the mortgagee.
- "Real estate" has the meaning ascribed to that term in
- 15 Section 15-1213 of the Code of Civil Procedure.
- "Vacant building" means a structure located on real estate
- 17 which is lacking habitual presence of human beings who have a
- legal right to be on the premises, or at which substantially
- 19 all lawful business, construction operations, or residential
- 20 occupancy has ceased, or which is substantially devoid of
- 21 content. In determining whether a building is vacant, it is
- 22 relevant to consider, among other factors, the percentage of
- 23 the overall square footage of the building or floor to the

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occupied space, the condition and value of any items in the building and the presence of rental or for sale signs on the property; provided that a residential property shall not be deemed vacant if it has been used as a residence by a person entitled to possession for a period of at least 3 months within the previous 9 months and a person entitled to possession intends to resume residing at the property; and further provided that multi-family residential property containing 10 or more dwelling units shall be considered vacant when 90% percent or more of the dwelling units are unoccupied.

Section 10. Vacant building in foreclosure; owner registration statement.

(a) The owner of any vacant building located on real estate that is the subject of a foreclosure proceeding shall, within 30 days after the foreclosure proceeding commenced or within 30 days after assuming ownership of a vacant building, whichever is sooner, file a registration statement for that building with the Department on forms provided by the Department for that purpose. The registration shall remain valid for 6 months from the date of registration. The owner is required to renew the registration for successive 6-month periods as long as the building remains vacant and shall pay a registration or renewal fee in the amount prescribed in Section 20 for each registered building; however, all eleemosynary, religious, educational, benevolent, or charitable associations organized on a

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not-for-profit basis and all governmental agencies are exempt from the payment of the registration fee.

In addition to other information required by the Department, the registration statement shall include the name, street address, and telephone number of a natural person 21 years of age or older who is designated by the owner as the authorized agent for receiving notices of violations and for receiving process, in any court proceeding or administrative enforcement proceeding, on behalf of the owner in connection with the enforcement of this Act. This person must maintain an office in the county in which the property is located or must actually reside within the county. An owner who is a natural person and who meets the requirements of this subsection as to location of residence or office may designate himself as agent. By designating an authorized agent under the provisions of this subsection, the owner is consenting to receive any and all notices of violations concerning the registered building and all process in any court proceeding or administrative provisions enforcement proceeding brought to enforce concerning the registered building by service of the notice or process on the authorized agent. Any owner who has designated an authorized agent under the provisions of this subsection shall be deemed to consent to the continuation of the agent's designation for the purposes of this Act until the owner notifies the Department in writing of a change of authorized agent or until the owner files a new registration statement.

- (c) The owner shall notify the Department, within 20 days, of any change in the registration information by filing an amended registration statement on a form provided by the Department for that purpose. The registration statement shall be deemed prima facie proof of the statements therein contained in any administrative or court proceeding against the owner of the building instituted by the Department or by any municipality or county in which the building is located.
  - (d) After filing a registration statement, the building owner shall provide access to the Department or to the applicable municipality or county to conduct an exterior and interior inspection of the building to determine compliance with this Act and the applicable municipal or county ordinances, following reasonable notice, during the period covered by the initial registration or any subsequent renewal.
  - (e) Any owner who fails to register a vacant building under the provisions of this Section shall further be deemed to consent to receive, by posting at the building, any and all notices of any violation of this Act or of any violation of an applicable municipal or county ordinance and all process in any court proceeding or administrative proceeding brought to enforce this Act or an applicable municipal or county ordinance concerning the building.
- Section 15. Registration and renewal fees.
  - (a) The registration fee for each registered vacant

- 1 building is \$250.
- 2 (b) The renewal fee for each registered vacant building is
- 3 \$250.
- 4 Section 20. Vacant building access. After filing a
- 5 registration statement, the building owner shall provide,
- 6 following reasonable notice, access to:
- 7 (1) the Department to determine compliance with this Act;
- 8 and
- 9 (2) to the municipality or the county in which the property
- 10 is located to conduct an exterior and interior inspection of
- 11 the building to determine compliance with this Act or with the
- 12 applicable municipal or county ordinance during the period
- 13 covered by the initial registration or any subsequent renewal.
- Section 25. Minimum requirements for vacant buildings. In
- addition to any other applicable municipal or county ordinance
- requirements, each vacant building must be kept in compliance
- 17 with the following requirements for as long as the building
- 18 remains vacant:
- 19 (1) Real estate maintenance standards. The real estate the
- 20 building stands on and the surrounding public way shall be
- 21 maintained as follows:
- 22 (A) all grass and weeds on the premises including
- abutting sidewalks, gutters, and alleys shall be kept below
- 24 10 inches in height, and all dead or broken trees, tree

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- limbs, or shrubbery shall be cut and removed from the 1 2 premises; 3 (B) junk, rubbish, waste, and any material that creates a health, safety, or fire hazard shall not be permitted to accumulate: 6 (C) no portion of the real estate nor any structure, 7 vehicle, receptacle, or object on the real estate shall be 8 maintained or operated in any manner that causes or 9 produces any health or safety hazard; (D) the real estate shall be maintained so that water 10 11 does not accumulate or stand on the ground; and 12 (E) all fences and gates shall be maintained in sound condition and in good repair. 13 (2) Exterior maintenance standards. The exterior of the 14 building shall be enclosed, secured, and maintained as follows: 15 16 (A) foundations, basements, cellars, and crawlspaces 17 shall be maintained in sound and watertight condition adequate to support the building, and shall be protected 18 19 against the entry of rodents or other animals; 20 (B) exterior walls shall be free of holes, breaks, and any other conditions which might admit rain or dampness to 21 22 the interior and shall be protected against the entry of 23 rodents or other animals:
  - (D) the roof shall be adequately supported, and shall

sound condition and good repair;

(C) exterior windows and doors shall be maintained in

_	be maintained in weather-tight condition; the gutters,
2	downspouts, scuppers, and appropriate flashing shall be in
3	good repair and adequate to remove the water from the
1	building or structure:

- (E) chimneys and flues shall be kept in sound, functional, and weather-tight condition;
- (F) every outside stair, porch, stoop, deck, veranda, balcony, and walk shall be maintained in sound condition for its purpose; and
- (G) all exit areas shall have continuous exterior lighting from dusk to dawn which may be provided by battery-powered or solar-powered lighting.
- (3) Interior maintenance standards. The interior of any building shall be maintained as follows:
  - (A) it is prohibited to accumulate or permit the accumulation of junk, trash, or any other materials in such a manner that may produce any health, fire, or safety hazard on the premises;
  - (B) every foundation, roof, floor, wall, stair, ceiling, and any other structural support shall be safe and capable of supporting the loads of normal use;
  - (C) any plumbing fixtures shall be maintained with no leaking pipes; and all pipes for water shall be either completely drained or heated to resist being frozen;
  - (D) every exit door shall be secured with an internal deadbolt lock and be capable of being opened from the

- inside easily and without the use of a key or special knowledge; and
  - (E) every owner shall be responsible for the extermination of insects, rodents, and other vermin in or about the premises.
  - (4) Building security standards. The following standards apply to the securing of vacant buildings:
    - (A) all building openings shall be closed and secured using secure doors, glazed windows, or commercial-quality steel security panels or filled with like-kind material as the surrounding wall, as applicable, to prevent entry by unauthorized persons;
    - (B) at least one building entrance shall be accessible from the exterior and secured with a door that is locked to allow access only to authorized persons; a minimum of 2 exit doors shall be available to exit from the interior of the building; and
    - (C) if a building has been vacant for 6 months or longer, or upon any renewal of the registration statement required in Section 10, the building owner must implement and provide proof satisfactory to the Department that the building meets the standards stated in this Section.
  - Section 30. Rules. The Department may adopt rules for the administration of this Act.

- Section 35. Penalties. Any person who violates any provision of this Act or of the rules adopted pursuant to this Act commits a petty offense punishable by a fine of not less than \$500 and not more than \$1,000 for each offense. Every day that a violation continues shall constitute a separate and distinct offense.
- Section 90. Home rule. A home rule unit may not regulate vacant buildings in foreclosure in a manner less restrictive than the regulation by the State of vacant buildings in foreclosure under this Act. This Section is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State.
- Section 99. Effective date. This Act takes effect upon becoming law.